NATIONAL ENERGY REGULATOR OF SOUTH AFRICA

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Ref: NER/D/FS181 – 2017/18

Mr MD Nthau
The Municipal Manager
Masilonyane Local Municipality
P. O Box 8
THEUNISSEN
9410

Per Email: nthabeleng@masilonyana.co.za

Dear Mr Nthau,

ELECTRICITY TARIFFS FOR THE PERIOD 1 JULY 2017 – 30 JUNE 2018

Your application dated 26 April 2017 refers.

The Energy Regulator at its meeting held on 13 April 2017 approved the guideline increase of 1.88% for municipalities applicable for 2017/18 financial year. Consequently, the Energy Regulator considered your application for a tariff increase for the period 1 July 2017 - 30 June 2018 and approved the tariffs as follows:

Domestic Tariffs

Domestic Prepaid

Tariff blocks	c/kWh
Block 1 (0 - 50 kWh)	85.06
Block 2 (51 – 350 kWh)	101.07
Block 3 (351 – 600 kWh)	145.68
Block 4 (>600kWh)	173.95
Basic charge:	R78.29/month

Domestic Conventional

Tariff blocks	c/kWh
Block 1 (0 - 50 kWh)	77.52
Block 2 (51 – 350 kWh)	101.07

Regulator Members: Mr JRD Modise (Chairperson) Ms MMD Nkomo (Deputy Chairperson) *Mr C Forlee (Chief Executive Officer)
Mr Y Adam *Ms N Maseti *Mr M Ncetezo Ms KR Mthimunye Mr FK Sibanda
*Full-Time Regulator Members

NERSA is a Regulatory Authority established in terms of the National Energy Regulator Act, 2004 (Act No 40 of 2004)

Block 3 (351 – 600 kWh)	145.68
Block 4 (>600kWh)	173.95

Basic charge:	R105.38/month

Commercial Tariffs

Commercial Conventional <50kVA

- Basic charge: R326.15/month
- Energy charge: 146.77c/kWh

Commercial Prepaid <50kVA

- Basic charge: R326.15/month
- Energy charge: 146.77c/kWh

Commercial >50kVA

- Basic charge: R485.19/month
- Energy charge: 81.54c/kWh
- Demand Charge: R179.38/kVA

Commercial Tariffs

Large Power User 400V (Scale 3A)

- Basic charge: R1 091.34/month
- Energy charge: 75.26 c/kWh
- Demand Charge: R206.96/kVA

Large Power User 11kV (Scale 3B)

- Basic charge: R671.43/month
- Energy charge: 65.23c/kWh
- Demand Charge: R213.08/kVA

Rural Tariffs

Farms Residential Conventional

- Basic charge: R194.56/month
- Energy charge: 130.89c/kWh

Farms Residential Prepaid

- Basic charge: R194.56/month
- Energy charge: 154.27c/kWh

Farms Commercial Conventional <50kVA

- Basic charge: R434.87/month
- Energy charge: 173.95c/kWh

Farms Commercial Prepaid

- Basic charge: R434.87/month
- Energy charge: 173.95c/kWh

Other Tariffs

Schools and Old Age Homes Conventional

- Basic charge: R292.73/month
- Energy charge: 128.61c/kWh

Schools and Old Age Homes Prepaid

- Basic charge: R145.80/month
- Energy charge: 128.61c/kWh

Departmental Use

- Basic charge: R304.41/month
- Energy charge: 147.85c/kWh

The Energy Regulator further directs that the licensee submits a Specific Measurable Achievable Realistic and Time-bound (SMART) energy losses report in order to enable Nersa to closely monitor the worsening energy losses by 30 September 2017. Furthermore, the licensee must utilize its budget on implementing corrective measures and submit bi-annual progress reports.

Please note that in terms of the National Energy Regulator Act, 2004 (Act No. 40 of 2004), National Energy Regulator is entrusted to perform all the functions that the National Electricity Regulator used to perform, and amongst others, to review and approve tariff increase proposals by all licensed distributors of electricity in South Africa. Implementation of tariffs without approval of the Energy Regulator is a contravention of the license conditions issued to you.

It is therefore important that provision is made in your planning / budgeting cycle to allow time for the submission of applications for future changes or increases to NERSA for consideration.

Should you have any enquiries please do not hesitate to contact Mr Thabo Tshabalala in the Electricity Pricing and Tariffs Department on (012) 401 4725 or email: thabo.tshabalala@nersa.org.za.

Yours sincerely,

Chris Forlee
Chief Executive Officer

Date: 2017/06/02